

SENATE BILL 271
By Fowler

AN ACT to amend Tennessee Code Annotated, Title 49,
relative to school finance.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 49-1-302(a)(4)(B), is amended by deleting the punctuation “;” at the end of the subdivision and by substituting instead the following:

. The committee in its annual report due on or before November 1, 2005, shall recommend a system-level fiscal capacity model to be used to provide funding through the BEP formula on a fair and equitable basis;

SECTION 2. Tennessee Code Annotated, Section 49-3-356, is amended by adding following sentence at the end of the section:

The commissioner shall provide to each LEA a funding plan that transitions funding through the BEP from a county-level fiscal capacity model to a system-level fiscal capacity model over four (4) years. Such transition shall begin with the 2006-2007 fiscal year and shall conclude with the 2009-2010 fiscal year when the BEP formula shall be based on a system-level fiscal capacity model. Such plan shall provide that no LEA shall receive from the BEP in fiscal year 2006-2007 and in subsequent fiscal years a lesser amount of state funds than it received from the BEP, adjusted for any changes in average daily membership, under the county-level fiscal capacity model in fiscal year 2005-2006.

SECTION 3. This act shall take effect upon becoming a law, the public welfare requiring it.